(d) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI TAPAN SIKDAR): (a) to (d) Government continues to provide subsidy on urea, a controlled fertilizer and concession and decontrolled phosphatic and potassic fertilizers in order to make fertilizers available to farmers at affordable prices. While subsidy payments to urea manufacturing units are made under the Retention Price Scheme, payments of concession to manufacturers of decontrolled phosphatic and potassic fertilizers are made under the Concession Scheme. Government is in the process of formulation of a new pricing policy for urea units keeping in view the recommendations of Expenditure Reforms Commission for replacing the existing Retention Price Scheme. Government had circulated the ERC report for eliciting the views of the State Governments on the ERC report and some of the State Governments had furnished their views/suggestions.

Revamping of HFCL

1079. SHRI DIPANKAR MUKHERJEE: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that West Bengal Government has sent a proposal for revamping of HFCL Durgapur Unit, with Coal Bed Methane (CBM) as feed stock; and

(b) if so, the steps taken in this regard and whether the Union Government's decision dated 5th September, 2002 to close down the Durgapur Plant, is being reviewed; if not, the reasons for non-consideration of the proposal?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI TAPAN SIKDAR): (a) and (b) Yes, Sir. However, the Government has decided to close down the Durgapur unit of Hindustan Fertilizer Corporation Ltd. as the same has not been found techno-economically viable. The use of Coal Bed Methane (CBM) as feed stock is not possible in the near future.

Disinvesting the National Fertilizer Company

1080. SHRI H.K. JAVARE GOWDA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that the National Fertilizer Company has been playing crucial role in providing nutrients to the farmers timely at reasonable prices;

(b) if so, the details regarding the total production and the profit earned during the last three years; and

(c) whether Government propose to disinvest the National Fertilizer Company; if so, what are the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI TAPAN SIKDAR): (a) and (b) National Fertilizers Limited (NFL) has been providing fertilizer nutrients to the agriculture sector at the uniform statutory sale price fixed by the Government and is generating profits since its inception. The details of the urea produced and profit earned by the company during the last three years are given below:—

(*Rs. Crore*)

Year	Urea Production (in lakh Metric Tonnes)	Profit earned
1999-2000	31.37	34.89
2000-2001	29.36	27.31
2001-2002	31.91	40.61

(c) The Disinvestment Commission has categorized the fertilizer sector as 'non-core' and recommended to disinvest 51% of total equity out of GOI held equity in the company.

Closure of Barauni Fertilizer Plant

†1081. SHRI RAMA SHANKER KAUSHIK: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to State:

(a) whether Government have decided to finally close down the only fertilizer factory at Barauni in Bihar;

(b) if so, what are the reasons for this decision;

(c) the suggestions given by the committees set up to improve the situation of the factory during the years 1986 and 2002 and whether Government have considered these suggestions;

(d) if so, what is the justification for closing the factory; and

(e) if not, what are the reasons for not considering the suggestions?

†Original notice of the question was received in Hindi.